

EXHIBIT 1

In The Matter Of:

ALLERGAN USA, INC.

v.

MEDICIS AESTHETICS, INC.

WELDON, RYAN - Vol. 1

January 13, 2015

CONFIDENTIAL

MERRILL CORPORATION

LegalLink, Inc.

20750 Ventura Boulevard
Suite 205
Woodland Hills, CA 91364
Phone: 818.593.2300
Fax: 818.593.2301

CONFIDENTIAL
RYAN WELDON - 1/13/2015

Page 1

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

-----X

ALLERGAN USA, INC., and ALLERGAN
INDUSTRIE, SAS,

Plaintiffs,

Case No.
-against- SACV13-01436 AG
(JPRx)

MEDICIS AESTHETICS, INC.,
MEDICIS PHARMACEUTICAL CORP.,
VALEANT PHARMACEUTICALS
NORTH AMERICA LLC,
VALEANT PHARMACEUTICALS
INTERNATIONAL, and VALEANT
PHARMACEUTICALS INTERNATIONAL, INC.

Defendants.

-----X

CONFIDENTIAL

January 13, 2015
9:02 a.m.

Videotaped Deposition of RYAN WELDON taken
by Plaintiff, pursuant to Notice, at the offices
of Patterson Belknap Webb & Tyler LLP, 1133
Avenue of the Americas, New York, New York,
before TAMMEY M. PASTOR, a Registered
Professional Reporter, Certified LiveNote
Reporter and Notary Public within and for the
State of New York.

CONFIDENTIAL
RYAN WELDON - 1/13/2015

Page 2

1 A P P E A R A N C E S:

2 FISH & RICHARDSON P.C.
Attorneys for Plaintiffs
3 222 Delaware Avenue,
17th Floor
4 P.O. Box 1114
Wilmington, DE 19801

5 BY: SUSAN MORRISON COLETTI, ESQ.
6 (coletti@fr.com)

7
8 PATTERSON BELKNAP WEBB & TYLER LLP
9 Attorneys for Defendants
1133 Avenue of the Americas
10 New York, NY 10036-6710

11 BY: SCOTT B. HOWARD, ESQ.
12 (Sbhoward@pbwt.com)

13 ALSO PRESENT:

14 DAVID PELOZA, Videographer
Merrill Legal Solutions
15
16
17
18
19
20
21
22
23
24
25

CONFIDENTIAL
RYAN WELDON - 1/13/2015

Page 56

1 stimulator of your body's collagen. 10:04:31

2 So you have four categories. 10:04:37

3 This actually encompasses the full portfolio 10:04:42

4 for aesthetics post acquisition of Medicis 10:04:44

5 for the company. And we felt, you know, we 10:04:49

6 would have offerings in each of these. And 10:04:51

7 these are all used within an aesthetics 10:04:54

8 office. So that's why they were 10:04:56

9 complementary. 10:04:57

10 Q. Can you go to 21 now. On the 10:05:05

11 right side the first bullet point says, 10:05:15

12 "Significant majority of synergies to come 10:05:18

13 from head count reduction." 10:05:21

14 Do you see that? 10:05:23

15 A. Yes. 10:05:23

16 Q. What does that mean? 10:05:24

17 A. So when we would assess deals 10:05:25

18 you're trying to extract synergies, there 10:05:32

19 would be cost synergies, then there is 10:05:34

20 revenue synergies. So how would the 10:05:37

21 combination of the companies help to 10:05:41

22 increase the top line or reduce costs. 10:05:43

23 In reducing costs obviously 10:05:47

24 there is a lot of opportunities, you can 10:05:51

25 spend less money on advertising or, you 10:05:55

CONFIDENTIAL
RYAN WELDON - 1/13/2015

Page 57

1 know, those type of things.

10:05:57

2 In this particular deal there
3 was a lot of overlap in terms of corporate
4 structure -- corporate staff. Medicis which
5 was headquarters in Scottsdale, Arizona had
6 a large sort of headquarter based, large
7 number of personnel there.

10:05:59

10:06:02

10:06:04

10:06:08

10:06:11

10:06:18

8 Many of the positions were
9 duplicative with the positions that we had
10 in New Jersey. So, you know, for one company
11 you no longer need two heads of investor
12 relations, you only need one.

10:06:20

10:06:23

10:06:26

10:06:29

10:06:32

13 So there were quite a few sort
14 of overlaps. There were some areas where we
15 didn't overlap. But the largest number of
16 the synergies, in terms of cost reductions
17 was really going to come from those overlaps
18 and reducing personnel.

10:06:33

10:06:37

10:06:42

10:06:44

10:06:46

10:06:49

19 In some cases eliminating
20 positions in the New Jersey office and in
21 other situations reducing the personnel and
22 head count at the Medicis office in Arizona.

10:06:51

10:06:53

10:06:57

10:07:00

23 Q. Do you have any sense of how
24 many people were let go after the Medicis
25 acquisition?

10:07:04

10:07:05

10:07:08

CONFIDENTIAL
RYAN WELDON - 1/13/2015

Page 58

1	A.	Yes. In Arizona it was about	10:07:09
2		300, 320.	10:07:13
3	Q.	Out of how many employees were	10:07:15
4		there?	10:07:16
5	A.	Maybe 520. 500, around there.	10:07:16
6	Q.	How many were let go in New	10:07:21
7		Jersey?	10:07:23
8	A.	I do not recall that. That	10:07:23
9		would have mostly been I believe on the	10:07:28
10		clinical side and I was not too closely	10:07:32
11		involved with which clinical positions were	10:07:35
12		where.	10:07:38
13		I know that there was, there	10:07:38
14		were a number of people from the clinical --	10:07:41
15		from Medicis's clinical team that were	10:07:43
16		retained in Arizona. They eventually left on	10:07:46
17		their own for the most part. But they had	10:07:49
18		more dermatology expertise.	10:07:53
19		When we bought Dermik and Ortho	10:07:55
20		Derm from Sanofi Aventis and J&J	10:07:58
21		respectively, we got sales forces. We	10:08:02
22		didn't get a bunch of clinical people with	10:08:05
23		expertise in those areas. So Medicis was the	10:08:06
24		first acquisition where we really got people	10:08:09
25		that had a lot of dermatology experience.	10:08:11

CONFIDENTIAL
RYAN WELDON - 1/13/2015

Page 59

1	Some of our people in New Jersey had that.	10:08:15
2	But how those sort of fell out I can't	10:08:17
3	recall.	10:08:21
4	Q. By the time you left Valeant	10:08:26
5	how many of those legacy Medicis employees	10:08:29
6	were still around?	10:08:32
7	A. Excluding the sales force?	10:08:32
8	Q. Uh-huh.	10:08:34
9	A. Very few. In aesthetics Vince	10:08:35
10	had been there -- remained there until	10:08:44
11	almost the end of 2013. A couple of other	10:08:47
12	people on that team stayed until October	10:08:51
13	when we decided to move. We actually made	10:08:54
14	the decision to move -- to shut down	10:08:57
15	Arizona, that headquarters a month after I	10:09:02
16	moved there in maybe the September 2013,	10:09:04
17	around that September time frame.	10:09:10
18	So at that point there were a	10:09:13
19	number of people that were offered	10:09:14
20	opportunity to move to New Jersey, which	10:09:16
21	apparently is a hard sell coming from	10:09:18
22	Arizona. Some people chose not to take that	10:09:20
23	opportunity.	10:09:23
24	So we ended up letting go of	10:09:26
25	some people that -- in Scottsdale. But I	10:09:29

CONFIDENTIAL
RYAN WELDON - 1/13/2015

Page 60

1 would say for the most part most of 10:09:32
2 the people in the Scottsdale office, within 10:09:36
3 ten months were gone. 10:09:38

4 MR. HOWARD: We have been going 10:09:42
5 over an hour, whenever it is a good time 10:09:43
6 for a break. 10:09:46

7 MS. COLETTI: I was just about to 10:09:46
8 say why don't we take a quick break. 10:09:47

9 THE VIDEOGRAPHER: Okay. We 10:09:49
10 will go off the record. The time is 10:09:50
11 10:09. 10:09:52

12 (Recess taken.) 10:09:59

13 THE VIDEOGRAPHER: Back on the 10:21:19
14 record 10:21. 10:21:28

15 EXAMINATION CONDUCTED BY 10:21:30

16 MS. COLETTI: 10:21:30

17 Q. Welcome back, Mr. Weldon. I 10:21:30
18 want to talk a little bit about some of the 10:21:34
19 other acquisitions. In particular, were you 10:21:37
20 involved at all in the potential acquisition 10:21:40
21 of Allergan? 10:21:42

22 A. How would you define involved? 10:21:45

23 Q. Did you do any evaluations, did 10:21:46
24 you look at any documents? 10:21:48

25 A. By that definition, I had very, 10:21:52